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SUBJECT: SEOUL - PRESS BULLETIN; JANUARY 14, 2010

TOP HEADLINES

Chosun Ilbo, Dong-a Ilbo, Segye Ilbo, Seoul Shinmun, All TVs
Thousands Feared Dead in Haiti Quake; Seven Koreans Missing after
Quake

JoongAng Ilbo, Hankook Ilbo, Hankyoreh Shinmun
"Study Now, Pay Later" Scheme to be Introduced in First Semester of
This Year

DOMESTIC DEVELOPMENTS

According to an ROKG source, the ROKG recently overhauled its
"contingency plan" to brace for an emergency in North Korea. The
latest plan includes the ROKG setting up an emergency government
organization in the North in case of an emergency there. While the
ROK-U.S. "OPLAN 5029" covers military responses to emergencies in
the North such as a civil war, this contingency plan concerns
administrative measures to cope with such emergencies. (Chosun)

According to a recent report released by the Asia Foundation's
Center for U.S.-Korea Policy, the U.S. will find it difficult to
consent to any kind of nuclear waste reprocessing on the Korean
Peninsula unless the North's nuclear issue is resolved. The ROK is
currently hoping to revise a nuclear cooperation agreement with the
U.S. when it expires in 2014 to recycle its spent nuclear fuel
through "pyroprocessing," a so-called proliferation-resistant
reprocessing technology. (Chosun, JoongAng, Segye, Seoul)

INTERNATIONAL NEWS

North Korean Ambassador to the UN Sin Son-ho told a press conference
yesterday that North Korea will return to the Six-Party Talks only
after international sanctions on the North are lifted. (Hankook,
VoiceofPeople)

MEDIA ANALYSIS

-N. Korea

Moderate Hankook Ilbo and VoiceofPeople, a progressive Internet news outlet, carried reports quoting North Korean Ambassador to the UN Sin Son-ho as saying in a Jan. 12 news conference in New York that North Korea will return to the Six-Party Talks only after all U.S. and UN sanctions on the North are lifted.

Hankook Ilbo, in particular, juxtaposed this North Korean remark with a Jan. 12 White House statement that President Obama continues to present a clear choice: if North Korea abides by its obligations, the door is open to a better relationship with the international community; if they don't, they will be isolated. Hankook observed that the U.S. and North Korea are engaged in a fierce war of nerves over resuming the Six-Party Talks and signing a peace treaty on the Korean Peninsula.

OPINIONS/EDITORIALS

DAREDEVIL ACTIVIST DESERVES MORE ATTENTION
(Chosun Ilbo, January 14, 2010, Page 31)

Freedom and Life for All North Koreans, a coalition of some 100 rights activist groups, gathered on Tuesday in Imjingak Park close

SEOUL 00000056 002 OF 004

to the inter-Korean border and released a couple of helium balloons across the demilitarized zone carrying propaganda leaflets as well as cookies for children. The balloons were named after Robert Park, an evangelical activist who crossed the frozen border river into North Korea on Christmas Eve in a daredevil mission to draw attention to human rights abuses there.

Park crossed the frozen Tumen River from China as people looked on, carrying a letter for North Korean leader Kim Jong-il that urges him to open the border for international shipments of food and medicine and to release political prisoners. After crossing the river, Park walked toward North Korean border guards. For the first time since the two Koreas were divided in 1945, one person has lodged a formal and direct protest against North Korea over its human rights violations.

"Do not try to secure my release until all 160,000 political prisoners in North Korean concentration camps are freed," Park told colleagues before heading across the river. His grandmother is a devout Christian from North Korea who came to South Korea after the end of World War II. Park was a missionary in the U.S. and Mexico. He began working among North Korean refugees in China in 2008 and had been doing missionary work in South Korea since last year. After deciding to head to North Korea, Park is said to have eaten only one meal a day to share the pain of North Koreans. Yet his action cannot be dismissed as a foolish mistake by a 28-year-old zealot who had no idea what would happen to him in the North.

Park's action seemed futile, but it has already begun to create ripple effects. Susan Scholte, a winner of the Seoul Peace Prize, and U.S. Special Envoy for North Korea Human Rights Issues Robert King publicly voiced their concern for Park's safety. U.S. media, including the Christian Science Monitor, have shown interest in Park's action, and prayer meetings are taking place in South Korea for his safety.

Some South Korean government officials, however, are apparently calling his action quixotic. Born with the Korean name Park Dong-hoon, he is a U.S. citizen. But should that be an excuse for South Koreans to show so little interest in his plight?

(This is a translation provided by the newspaper, and it is identical to the Korean version.)

ROK SHOULD HAVE RIGHT TO NUCLEAR REPROCESSING TO BECOME MAJOR
REACTOR EXPORTER
(Seoul Shinmun, January 14, Page 31)

In the 42nd emergency Cabinet meeting yesterday, the Ministry of Knowledge Economy said that the ROK will foster nuclear power-related business as the next-generation export industry. The ROK plans to export 10 nuclear power reactors by 2012, and 80 nuclear power reactors by 2030. This would make the ROK the world's third largest reactor supplier with a 20 percent share of the global market. We expect that the ROK will meet this goal. The recent order from the UAE has proven that the ROK's technological capabilities and price competitiveness have been recognized by the international community.

About 430 additional nuclear power reactors will be built worldwide by 2030. The nuclear reactor business will bring significant benefits as a next-generation export industry because it will create a considerable number of jobs and boost sales of related businesses.

The ROKG said that in order to promote the industry as a major export business, it will attain full technological self-sufficiency, train more engineers and set up the export system. However, this alone will not lead to the ROK becoming a major reactor exporter. More urgently, we should achieve peaceful use of nuclear energy by securing the right to nuclear reprocessing.

Reprocessing of spent nuclear fuel is a necessary step to reprocess spent fuel rods in an environmentally-friendly way. Exactly 94.4 percent of reprocessed spent fuel can be used as an energy source.

SEOUL 00000056 003 OF 004

Isotopes generated during reprocessing can be beneficially used in science and medicine. However, the ROK cannot enrich or reprocess uranium without prior agreement or approval from the U.S. under the ROK-U.S. Atomic Energy Agreement which was signed in 1974. Moreover, the ROK voluntarily gave up uranium enrichment and reprocessing in the Joint Declaration of the Denuclearization of the Korean Peninsula in November 1991. There are some challenges the ROK should deal with (to become a major reactor exporter). Currently the ROK imports 100 percent of its raw nuclear materials and the waste from this will (soon) pile up. But most of all, (the ROK's inability to reprocess spent fuel) may become a stumbling block in exporting nuclear reactors in the future.

With the ROK-U.S. Atomic Energy Agreement expiring in 2014, the ROK and the U.S. will start negotiating its revision in 2012. The ROK should actively seek to revise the Agreement to secure the right to uranium enrichment and reprocessing. The ROK should win nuclear sovereignty that guarantees peaceful nuclear activities. If the U.S. raises concerns over nuclear armament or nuclear proliferation, the ROK can dispel them by establishing transparency. We should keep in mind that without the right to nuclear reprocessing, we may not achieve the goal of becoming a major reactor exporter.

FEATURES

U.S. WOULD POSSIBLY CONSENT TO ROK'S NUCLEAR REPROCESSING IF NORTH
KOREAN NUCLEAR ISSUE IS RESOLVED
(JoongAng Ilbo, January 14, 2010, Page 8)

By Washington Correspondent Kim Jung-wook

An argument has been raised that the U.S. would not agree to the ROK reprocessing used nuclear fuel until the North Korean nuclear issue reaches a resolution. It was forecast, however, that if there is progress in resolving the North Korean nuclear issue, the U.S. would agree to the ROK's "pyro-processing" under a strict non-proliferation condition. Pyro-processing is a new type of nuclear fuel reprocessing technology which is not feared to be used for nuclear weapons production since it does not separate pure plutonium.

This U.S. stance was confirmed in a report titled "U.S.-ROK Nuclear Nonproliferation Cooperation," which analyzed the U.S.

administration's position regarding negotiations over the revision of the U.S.-ROK peaceful nuclear cooperation agreement set to expire in 2014. This report was drawn up at the end of last year by U.S. nuclear and atomic energy expert Fred McGoldrick at the request of the Center for U.S.-Korea Policy of the U.S. think tank Asia Foundation.

McGoldrick argued, "The two countries will soon need to begin to negotiate an agreement replacing the current U.S.-ROK peaceful nuclear cooperation agreement," adding, "If the U.S. judges that a revision of the agreement in a way that allows the ROK to reprocess used nuclear fuel will make it difficult to resolve the North Korean nuclear issue, the U.S. will not agree to any type of reprocessing on the Korean Peninsula."

He noted, however, that on the premise of the resolution of the North Korean nuclear issue, the ROK's nuclear fuel reprocessing could be allowed: 1) by revising and complementing the 1992 ROK-DPRK joint declaration not to possess enrichment or reprocessing capabilities; 2) by the U.S. making some commitment to approve long-term pyro-processing in the ROK along the lines similar to the arrangements that the U.S. has made with India and Japan; 3) by the ROK and the U.S. making a joint commitment to work with each other on the development of proliferation-resistant pyro-processing technology; 4) by establishing a ROK-U.S. joint venture or multinational entity.

The U.S.-ROK peaceful nuclear cooperation agreement, which was signed in 1974, stipulates that if the ROK is to change the nature

SEOUL 00000056 004 OF 004

of used nuclear fuel or divert it, it should obtain the U.S.'s consent. However, since the ROK's capacity to store used nuclear fuel is expected to reach its limit soon, nuclear fuel reprocessing is emerging as an important issue.

AMBASSADOR STEPHENS: "AMERICAN AND KOREAN SMALL-MEDIUM SIZED COMPANIES SHOULD WORK TOGETHER TO MAKE SUCCESS STORIES"
(Dong-a Ilbo, January 14, 2010, Page B6)

By Reporter Lim Woo-sun

Ambassador Stephens speaks at the Korea Importers' Association.

"The reason why we have such a clear sky in Seoul today is that Korean and American Small and Medium-sized Enterprises (SMEs) worked together to develop a Compressed Natural Gas (CNG) bus. In the New Year, SMEs have a major role to play in making a difference for our bilateral trade," said U.S. Ambassador to the Republic of Korea Kathleen Stephens.

She attended a breakfast meeting hosted by the Korea Importers' Association at Westin Chosun Hotel in Jung-gu, Seoul, on January 13 and emphasized cooperation between ROK and U.S. SMEs for this year.

Ambassador Stephens started her speech by recalling her tenure in the ROK nearly 20 years ago. She said, "Twenty years ago, air pollution in Korea's urban centers was in a serious state because of diesel buses and trucks. However, Korean and American SMEs worked diligently together to develop a CNG bus, which reduces emissions up to 70 percent." She added, "This story is a great example of combining American and Korean innovation and marketing know-how to generate strong business." Stephens said, "Today, nearly 30% of all Korean imports from the U.S. are classified as 'advanced technology products' such as biotechnology, advanced materials, and nuclear technology. This sets an unlimited horizon for expanding U.S.-Korean partnerships."

Ambassador Stephens made remarks on the ratification of the Korea-U.S. Free Trade Agreement (KORUS FTA). She said, "It is unclear how long this process (of consultations) will take, and - to be frank - there are some difficult issues to work through." Stephens added, "We see such promise for the KORUS FTA. Both Presidents are committed to working together to move the agreement forward." The Ambassador noted, "The Administration has made clear

that boosting U.S. exports and expanding trade is an essential part of a sustainable economic recovery," adding, "There is widespread acknowledgement in the U.S. that this FTA has the potential to create significant economic and strategic benefits for the U.S - and for Korea, as well." Ambassador Stephens delivered the speech in Korean, drawing applause from the audience.

STEPHENS